

RESOLUTION 13-12

A RESOLUTION TO CONTRACT WITH THE PROFESSIONAL TEAM OF FIFTH LANE REAL ESTATE COMPANY LLC, SPECTRUM PROPERTIES-EMERY AND KIZER+VOGRIN DESIGN TO PERFORM SITE VALUATION FOR THE TENNESSEE CHILDREN'S HOME

WHEREAS, the City of Spring Hill is considering the purchase of the 103 acres known as the Tennessee Children's Home; and

WHEREAS, certain due diligence is required to determine whether or not the city's best interest is being served by such a purchase; and

WHEREAS, the professional team of Fifth Lane Real Estate Company LLC, Spectrum Properties-Emery and Kizer+Vogrin Design is unique in their qualifications to provide an appropriate site valuation for the potential reuse of the Tennessee Children's Home property by the City of Spring Hill by virtue of their experience in the Middle Tennessee real estate market and production of similar valuations for other municipalities in other states;

NOW, THEREFORE BE IT RESOLVED that the Mayor is authorized to enter an agreement with the professional team of Fifth Lane Real Estate Company LLC, Spectrum Properties-Emery and Kizer+Vogrin Design to conduct such study as described in the attached proposal of services in the total collective amount not to exceed \$33,700.00.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on this 19th day of February, 2013.



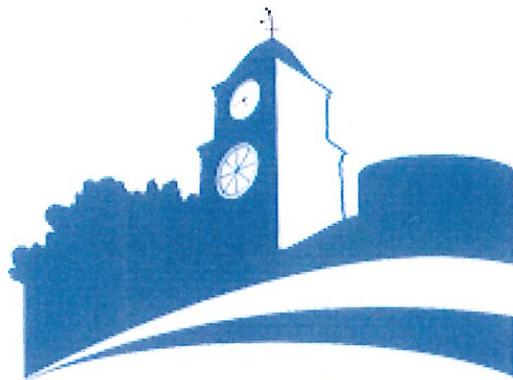
Michael Dinwiddie, Mayor

ATTEST:


April Goad, City Recorder

APPROVED AS TO FORM:


Timothy P. Underwood, City Attorney



City of
SPRING HILL
T E N N E S S E E
est. 1809

**AGREEMENT FOR SERVICES
TO
PERFORM SITE VALUATION
TENNESSEE CHILDREN'S HOME
SPRING HILL, TN**

APPROXIMATELY 103 ACRES

PRESENTED BY:

**FIFTH LANE REAL ESTATE COMPANY, LLC
SPECTRUM PROPERTIES | EMERY
KISER + VOGGIN DESIGN**

FEBRUARY 7, 2013



February 7, 2013

Mr. Victor Lay, P.E.
City Administrator
199 Town Center Parkway
Spring Hill, TN 37174

Dear Victor:

On behalf of the team gathered specifically for this assignment, Fifth Lane Real Estate Company, LLC and Spectrum Properties | Emery (the "Consultants"), appreciate the opportunity to present this Agreement to The City of Spring Hill ("Spring Hill"). The Consultants are uniquely experienced to provide professional services and qualified to provide guidance in development planning to establish valuation based on the community's desired uses for the property known as Tennessee Children's Home in Spring Hill ("Property").

Spring Hill's foresight to take a look at the Property as it relates to how it could enhance the community and quality of life in the city is to be commended. The Consultants along with Kiser+Vogrin Design have extensive experience in development planning, layout and execution of a market-based, master planned town center. The current economic realities and challenges dictate a creative approach to the positioning and disposition of this unique property. To address this reality the Consultants represents over 60 years of planning, marketing and developing high profile and sensitive projects like Tennessee Children's Home. These projects include the planning, sale and development of the Cool Springs area in Franklin.

The Property presents itself with unique opportunities. It is rare to find within a growing community like Spring Hill approximately 103 acres located at a major intersection of the city with a structure like Ferguson Hall located on it. The Consultants believe a mixture of uses including private and public will be needed to make the town center an authentic 24-hour community.

The Consultants are prepared to work closely with your office throughout the process and recognize the need to have the assignment complete within 90 days. Our approach will be open book and straight forward.

Again, thank you for the privilege to present this Agreement for consulting services.

Sincerely;

Fifth Lane Real Estate Company, LLC
by: David Wilson, President

Patrick Emery
Spectrum Properties | Emery

TEAM MEMBERS

It is important to note that all three team members have a long and successful history working together on large-scale land projects like Tennessee Children's Home. Most importantly, however this team will provide Spring Hill with an estimated land valuation based on current local and national development trends as well as a specific concept plan for the Property without a conflict to self-develop, thereby ensuring an alignment of interests.

Fifth Lane Real Estate Company, LLC

Founded by David Wilson and based in Franklin, Tennessee. David started working in Franklin in 1993 as the 1,050 acre Cool Springs land development was being assembled. David was employed by international developer Hines and moved to Franklin to open the Tennessee office. David successfully worked closely for nine months with the City of Franklin to rezone the property that straddles I-65 at Cool Springs Blvd. David worked with local and regional developers to sell the property for office, retail, hotel, apartments and residential neighborhoods in Franklin's first large scale master plan mixed-use project. The Cool Spring property is now home to Primus Financial, Provident Christian Music, CHS, and Healthways headquarter buildings, as well as the Cool Springs Marriott hotel and conference Center, the Embassy Suites hotel and conference center and the Thoroughbred Theaters. Most recently David spent over five years with Southern Land Company in Franklin heading up the commercial mixed used development arm of the company responsible for the projects in Texas and Tennessee including the McEwen office building, Dwell apartments and the Whole Foods developments all in the Cool Springs area of Franklin. David attended the University of California, Berkeley and earned a Masters in Business Administration from Southern Methodist University, Dallas. David is a graduate of Leadership Brentwood as well as a graduate of the first class of Leadership Franklin. David currently serves on board of the YMCA of Middle Tennessee.

Spectrum Properties | Emery

Pat Emery serves as president of the Nashville office of Spectrum Properties | Emery and is responsible for all operations including development, acquisitions, leasing and management in Nashville and surrounding cities. Pat's commercial real estate career spans 39 years of experience in Nashville, Charlotte, Tulsa, Denver, San Antonio and Kansas City. Prior to joining Spectrum, Pat developed, constructed, leased, managed and sold ten office buildings totaling over 1.5 million square feet of speculative Class A suburban office space and 1.2 million square feet of warehouse space. Pat was early to recognize the potential success of Cool Springs and was part of the team that purchased the first acreage for speculative office development and led the way for Cool Springs to be one of the major suburban office markets in the Southeast. Pat's efforts culminated several years ago when he worked with state and local authorities to help secure Nissan's North American headquarters building at the new McEwen Road interchange. Pat attended the University of Oklahoma, majoring in Business Administration. Pat is a member of ULI, a graduate of Leadership Nashville and Leadership Franklin. Pat is also a member of the Board of Directors of Avenue Bank, USGBC of Middle Tennessee, as well as the Transportation Management Association.

Kiser + Vogrin Design, LLC (KVD)

Kiser+Vogrin Design is a Franklin-based land planning and urban design firm. Dwight Kiser and Gary Vogrin have actively worked on developments in the City of Franklin and Williamson County since 1996. The two have successfully re-zoned twenty parcels within the city limits an eighty-seven (87%) percent success rate. Several projects were high profile projects such as Westhaven, Jamison Station, Franklin High School, Through the Green and the 600 acre Berry Farms. Their client list also includes the City of Franklin. Dwight and Gary co-authored the Franklin Design Standards that is now part of the City's newly adopted Zoning Ordinance. Additionally, Dwight and Gary led the planning effort to update the Central Franklin Land Use Plan and were engaged by the city as sub-consultants to develop an Open Space and Greenway Master Plan for the entirety of the City's corporate limits.

SCOPE OF SERVICES

The following scope of services, which are considered unique and professional services pursuant to TCA 12-4-106, will be provided for Spring Hill to obtain a the land valuation for the Tennessee Children's Home based on an approved concept master plan. This work will be provided within 90 days of execution:

- I. Market Analysis: Consultants will meet with local and regional brokers and meet with governmental and civic leaders to determine the demand for a variety of uses to be located on the Property. The objective of these meetings will be to quickly ascertain the market threshold to absorb a wide range of product types within a reasonable timeframe. Another key objective will be to determine current and projected market value for the various private uses as well as project specific use demands.
- II. "Concept Master Plan" for the Property: One concept plan will be generated by KVD from two different designs and valuation perspectives that the Consultants will study. The Consultants will work closely based on market findings as well as from discussions with city leaders in formulating the final concept plan. This plan will serve as the basis for the financial assumptions behind the land valuation numbers. The plan will illustrate the general location and amount of potential uses.
- III. Financial Model: A financial model will be developed based on the potential uses, absorption assumptions and market rates. The land use assumptions will tie to the Concept Master Plan and the land price and absorption rate will be based on the market interviews conducted. All assumption made to build the financial model will be clear, so "what if" scenarios can also be evaluated and studied.
- IV. Final Report: A final report will provide a summary of the plan, assumptions, risks and absorption timeline. The final report will include a copy of the Concept Master Plan. Additionally, the report will include recommended next steps to prepare the Property for production and if requested by Spring Hill the Consultants will make a presentation of the final report.

COST OF SERVICES

Market Analysis and Determination of Uses \$ 6,000
Generation of the Concept Master Plan: (KVD) \$12,200
Financial Model and Final Report: \$15,000

Additional services requested by Spring Hill will be priced and approved before any work is performed or costs incurred. We have assumed in the pricing two conference calls with you to provide a progress update. Reimbursable cost including printing and travel shall not exceed \$500.

It is understood that additional consultants such as survey, environmental, geo-technical, traffic, zoning, etc. are not included in this agreement and would be necessary to obtain prior to any final planning and layout, and development.

CLIENT APPROVAL

If the terms of this proposal are acceptable, please indicate with your signature below:

Accepted by: SPRING HILL



City of Spring Hill

Mike Dinwiddie

Name

Mayor

Title

2/19/2013

Date

Accepted by: CONSULTANTS

Fifth Lane Real Estate Company, LLC

Spectrum Properties | Emery

By: David D. Wilson

President

By: Patrick G. Emery

CONTRACT TERMS AND CONDITIONS

Parties, Services, Assignment and Entire Agreement

Fifth Lane Real Estate Company, LLC and Spectrum Properties | Emery (together known as the "Consultants") as independent consultants, agree to provide consulting services to Spring Hill for its sole benefit and exclusive use. No third party beneficiaries are intended by this Agreement. The ordering of services from Consultants constitutes acceptance of the terms and conditions set out in this Agreement. This Agreement may not be assigned by either party without prior written permission of the other party. This Agreement constitutes the entire understanding of Consultants and Spring Hill and there are no other warranties or representations made other than as set forth herein and specifically within the Agreement.

Standard of Care

Consultants agree to perform consulting services in accordance with the degree of care and skill ordinarily exercised by other reputable members of our profession under similar circumstances. No warranty expressed or implied is made or intended by this Agreement relating to the services provided by Consultants.

Payment Terms

Spring Hill will be invoiced once each month for services performed during the preceding period. Invoices are due upon receipt. If payment is not received within fifteen (15) calendar days of the invoice date Spring Hill agrees to pay a service charge on the past due amount of one and one half percent (1½%) per month compounded monthly. Payment thereafter shall be first applied to the accrued interest, if any, and then to the unpaid principal. Spring Hill's failure to make payments when due shall be cause for suspension of Consultants' services.

Termination

This Agreement may be terminated by either party upon not less than seven (7) days written notice should the other party fail to perform substantially in accordance with the terms of the Agreement through no fault of the party initiating termination. If Spring Hill terminates this Agreement, Consultants shall be compensated for services performed to the termination notice date, including reimbursable expenses due.

Initial MD
Spring Hill